

AMENDED IN SENATE JUNE 18, 1996
AMENDED IN ASSEMBLY JANUARY 22, 1996
AMENDED IN ASSEMBLY JANUARY 3, 1996

CALIFORNIA LEGISLATURE—1995–96 REGULAR SESSION

ASSEMBLY BILL

No. 1832

Introduced by Assembly Member Speier

February 24, 1995

An act to *amend Sections 3750, 7571, 7572, 7574, and 7644 of, to add Sections 3751.5, 7573, and 7577 to, and to repeal and add Sections 7575 and 7576 of, the Family Code, to amend Section 22825.14 of the Government Code, to amend Sections 1357, 1357.50, 1374.3, and 102425 of the Health and Safety Code, to amend Sections 10119, 10121.6, 10198.6, 10702.1, 10711, 10719.1, 10731.2, and 11516.1 of the Insurance Code, to amend Section 2803.5 of the Labor Code, to add Section 270i to the Penal Code, relating to support orders and to amend Sections 11350.3, 11350.4, 14124.93, 15200.1, 15200.2, 15200.3, 15200.7, 15200.8, 15200.85, 15200.9, and 15200.95 of, the Welfare and Institutions Code, relating to family law, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1832, as amended, Speier. ~~Support orders: aiding nonpayment of child support~~ Family law: support: paternity.

(1) Existing law authorizes the court to require health care coverage payments in child support proceedings. Existing law requires the district attorney, the State Department of Health

Services, or a party with custody of a child to enforce an outstanding support order that requires that health care coverage be provided to the child, and requires support obligors and their employers and health care insurers, as defined, to comply with these provisions, in the case of a child eligible for federal medicaid services.

This bill would require support obligors and their employers and health care insurers to comply with certain provisions relative to a support order requiring health care coverage to be provided to any child. These children would be included within the health care coverage provided by employers or other providers, as specified.

(2) Existing law specifies procedures for the establishment of paternity by voluntary declaration. Under these provisions, the child of a woman and a man executing a declaration of paternity is conclusively presumed to be the man's child. This presumption may be rebutted by way of blood or genetic tests within 3 years of the date of execution of the declaration, as provided. Existing law specifies the contents of the declaration, and requires each district attorney to pay \$10 to a hospital, clinic, or other place of live birth for each declaration filed.

This bill would revise and recast these provisions and would, among other things, authorize prenatal clinics to file voluntary declarations of paternity; make special provision for minors who sign a declaration; provide that a completed voluntary declaration of paternity that has been filed with the State Office of Vital Records and Statistics establishes the paternity of the child and has the same force and effect as a judgment for paternity issued by a court of competent jurisdiction; revise the contents of the declaration; provide a 60-day period in which a parent may rescind the voluntary declaration of paternity, except as provided; and make special provision for declarations signed on or before December 31, 1996. By requiring increased duties of local officials, the bill would impose a state-mandated local program.

(3) Existing law requires a certificate of live birth to contain specified information, including the full name, birthplace, and date of birth of the father.



This bill would provide that if the parents are not married to each other, the father's name shall not be listed on the birth certificate unless the father and mother sign a voluntary declaration of paternity at the place of birth within 10 days of the birth, as specified.

(4) Existing law requires the district attorney, in specified actions filed by the district attorney, to provide the mother and the alleged father the opportunity to voluntarily acknowledge paternity by signing a voluntary declaration of paternity prior to a hearing or trial where the paternity of a minor child is at issue.

This bill would authorize the district attorney, for the purpose of meeting this requirement, to afford the defendant an opportunity to enter into a stipulation for judgment of paternity.

(5) Existing law generally provides that a court may order a parent to pay for the support of his or her child.

This bill would provide that a person who aids an obligor in the nonpayment of child support is guilty of a misdemeanor and would require that any fine imposed for a violation of this provision be paid in whole or in part to the obligee, ~~except as provided~~. By creating a new crime, the bill would impose a state-mandated local program.

(6) Existing law, operative July 1, 1997, appropriates federal incentive funds out of any money in the State Treasury not otherwise appropriated, from which the State Department of Social Services shall make payments to each county (a) on any support payments collected or distributed, or both, and (b) on any interstate support collections collected or distributed, or both, and provides for the payment to counties of state incentive funds.

This bill would change the operative date of these provisions to July 1, 1998.

(7) Existing law, operative July 1, 1997, appropriates out of any money in the General Fund not otherwise appropriated, amounts from which the State Department of Social Services shall make federal incentive payments to each county on nonfederally funded foster care support payments collected or distributed, and provides for the payment to counties of state incentive funds.

This bill would change the operative date of this provision to July 1, 1998.

(8) Existing law, operative July 1, 1997, annually appropriates from the General Fund to the State Department of Social Services beginning in fiscal year 1997–98, a sum equal to 50% of the state's share of increased AFDC child support collections, as specified.

This bill would change the operative date of this provision to July 1, 1998.

(9) Existing law, operative until June 30, 1997, requires the State Department of Social Services to establish a performance-based incentive system which will provide federal and state incentive funds to counties based on standards of performance in the child support program, as provided. Existing law, operative until June 30, 1997, appropriates from the State Treasury sufficient funds, including federal incentives, from which the department shall pay (a) to each county a base rate of 10% on any support collections distributed, and (b) to certain counties a performance rate, and requires the department to pay to certain counties a specified compliance incentive rate.

This bill would extend the operative date of these provisions to June 30, 1998.

(10) Existing law, operative until June 30, 1997, provides for county and state responsibility for each counties' share of administrative expenditures for administering the child support program, and revises these provisions, operative July 1, 1997.

This bill would revise these operative dates to June 30, 1998, and July 1, 1998, respectively.

(11) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

Vote: ~~majority~~ ²/₃. Appropriation: ~~no~~ yes. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. *Section 3750 of the Family Code is*
 2 *amended to read:*
 3 3750. “Health insurance coverage” as used in this
 4 article includes all of the following:
 5 (a) Vision care and dental care coverage whether the
 6 vision care or dental care coverage is part of existing
 7 health insurance coverage or is issued as a separate policy
 8 or plan.
 9 (b) Provision for the delivery of health care services by
 10 a fee for service, health maintenance organization,
 11 preferred provider organization, or any other type of
 12 health care delivery system under which medical services
 13 could be provided to a dependent child of an absent
 14 parent.
 15 ~~(c) Notwithstanding any other provision of this article~~
 16 ~~or of a health care service plan contract, every health care~~
 17 ~~service plan shall comply with the requirements of~~
 18 ~~Section 14124.93 of the Welfare and Institutions Code in~~
 19 ~~the case of children who are eligible for medicaid services~~
 20 ~~under Subchapter 19 (commencing with Section 1396) of~~
 21 ~~Chapter 7 of Title 42 of the United States Code.~~

1 SEC. 2. Section 3751.5 is added to the Family Code, to
2 read:

3 3751.5. (a) To the extent required by law, any
4 support obligor, and his or her employer and health care
5 insurer, shall comply with this section and with Section
6 14124.93 of the Welfare and Institutions Code.

7 (b) An employer or insurer shall not deny enrollment
8 of a child under the health insurance coverage of a child's
9 parent on any of the following grounds:

10 (1) The child was born out of wedlock.

11 (2) The child is not claimed as a dependent on the
12 parent's federal income tax return.

13 (3) The child does not reside with the parent or in the
14 insurer's service area.

15 (c) In any case in which a parent is required by a court
16 or administrative order to provide health insurance
17 coverage for a child and the parent is eligible for family
18 health coverage through an employer doing business in
19 the state or an insurer, the employer or insurer shall do
20 all of the following, as applicable:

21 (1) Permit the parent to enroll under health insurance
22 coverage any child who is otherwise eligible to enroll for
23 that coverage, without regard to any enrollment period
24 restrictions.

25 (2) If the parent is enrolled in health insurance
26 coverage but fails to apply to obtain coverage of the child,
27 enroll that child under the health coverage upon
28 presentation of the court order or request by the district
29 attorney, the custodial party, or the Medi-Cal program.

30 (3) The employer or insurer shall not disenroll or
31 eliminate coverage of a child unless either of the
32 following applies:

33 (A) The employer has eliminated family health
34 insurance coverage for all of the employer's employees.

35 (B) The employer or insurer is provided with
36 satisfactory written evidence that either of the following
37 apply:

38 (i) The court order or administrative order is no
39 longer in effect.

1 (ii) *The child is or will be enrolled in comparable*
2 *health insurance coverage through another insurer that*
3 *will take effect not later than the effective date of the*
4 *child's disenrollment.*

5 (4) *Withhold from the employee's compensation the*
6 *employee's share, if any, of the premiums for health*
7 *coverage, not to exceed the maximum amount permitted*
8 *to be withheld under Section 303(b) of the federal*
9 *Consumer Credit Protection Act (15 U.S.C. Sec.*
10 *1673(b)), and pay that share of the premiums to the*
11 *insurer, except as otherwise provided by federal statute*
12 *or regulation for appropriate circumstances under which*
13 *an employer may withhold less than the employee's share*
14 *of the premiums.*

15 (d) *An insurer shall, in any case in which a child has*
16 *health insurance coverage through the insurer of a*
17 *noncustodial parent, do all of the following:*

18 (1) *Provide any information to the custodial party that*
19 *may be necessary for the child to obtain benefits through*
20 *the health coverage.*

21 (2) *Permit the custodial party, or provider, with the*
22 *custodial party's approval, to submit claims for covered*
23 *services without the approval of the noncustodial parent.*

24 (3) *Make payment on claims submitted in accordance*
25 *with paragraph (2) directly to the custodial party, the*
26 *provider, or the State Department of Health Services.*

27 (e) *For purposes of this section, "insurer" includes*
28 *every health care service plan, self-insured welfare*
29 *benefit plan, including those regulated pursuant to the*
30 *Employee Retirement Income Security Act of 1974 (29*
31 *U.S.C. Sec. 1001, et seq.), self-funded employer plan,*
32 *disability insurer, nonprofit hospital service plan, labor*
33 *union trust fund, employer, and any other similar plan,*
34 *insurer, or entity offering a health coverage plan.*

35 (f) *For purposes of this section, "custodial party" or*
36 *"party with custody of a child" includes, but is not limited*
37 *to, a custodial parent, legal guardian, primary caretaker,*
38 *or person with whom the child resides.*

39 SEC. 3. *Section 7571 of the Family Code is amended*
40 *to read:*

1 7571. (a) On and after January 1, 1995, upon the
2 event of a live birth, prior to an unmarried mother
3 leaving any hospital, clinic, or birthing center that is
4 licensed to provide obstetric services, the person
5 responsible for registering live births under Sections
6 ~~10101 and 10102~~ 102405 and 102415 of the Health and
7 Safety Code shall provide to the natural mother and shall
8 attempt to provide, at the place of birth, to the man
9 identified by the natural mother as the natural father, a
10 declaration for completion that meets the requirements
11 of Section 7574. The person responsible for registering the
12 birth shall file the declaration, if completed, with the
13 birth certificate, and, if requested, shall transmit a copy
14 of the declaration to the district attorney of the county
15 where the birth occurred. A copy of the declaration shall
16 be made available to each of the attesting parents.

17 (b) No health care provider shall be subject to any
18 civil, criminal, or administrative liability for any negligent
19 act or omission relative to the accuracy of the information
20 provided, or for filing the declaration with the
21 appropriate state or local agencies.

22 (c) The district attorney shall pay *the sum of ten*
23 *dollars (\$10) to the hospital birthing hospitals and other*
24 *entities that provide prenatal or birthing services, clinic,*
25 *or other place of birth that files the completed declaration*
26 *with the birth certificate, as set forth in this subdivision,*
27 *the sum of ten dollars (\$10) for each completed*
28 *declaration of paternity that is filed by it with the State*
29 *Office of Vital Records and Statistics, provided that the*
30 *district attorney and the hospital or other entity*
31 *providing prenatal or birthing services has entered into*
32 *a written agreement that specifies the terms and*
33 *conditions for the payment as required by federal law.*

34 (d) ~~Except as provided in Section 7575, the child of a~~
35 ~~woman and a man executing a declaration of paternity~~
36 ~~under this chapter, which meets the requirements of~~
37 ~~Section 7574, is conclusively presumed to be the man's~~
38 ~~child. The presumption under this section has the same~~
39 ~~force and effect as the presumption under Section 7540.~~

1 ~~(c) A voluntary declaration of paternity that meets the~~
2 ~~requirements of Section 7574 shall be recognized as the~~
3 ~~basis for the establishment of an order for child custody~~
4 ~~or support.~~

5 ~~(f) In any action to rebut the presumption created by~~
6 ~~this subdivision, a voluntary declaration of paternity that~~
7 ~~meets the requirements of Section 7574 shall be~~
8 ~~admissible as evidence to determine paternity of the~~
9 ~~child named in the voluntary declaration of paternity.~~

10 *(d) If the declaration is not registered by the person*
11 *responsible for registering live births at the hospital,*
12 *clinic, or place of birth, it may be completed by the*
13 *attesting parents, notarized, and mailed to the State*
14 *Office of Vital Records and Statistics at any time after the*
15 *child's birth.*

16 *(e) Prenatal clinics may offer prospective parents the*
17 *opportunity to sign a voluntary declaration of paternity.*
18 *In order to be paid for their services as provided in*
19 *subdivision (c), prenatal clinics must ensure that the*
20 *form is witnessed and forwarded to the State Office of*
21 *Vital Records and Statistics.*

22 *(f) Declarations shall be made available without*
23 *charge at all district attorney offices, local vital statistics*
24 *offices, courts, and county welfare departments within*
25 *this state. Staff in these offices shall witness the signatures*
26 *of parents wishing to sign a voluntary declaration of*
27 *paternity and shall be responsible for forwarding the*
28 *signed declaration to the State Office of Vital Records and*
29 *Statistics.*

30 *(g) The State Department of Social Services and*
31 *district attorneys shall publicize the availability of the*
32 *declarations. The district attorney shall make the*
33 *declaration, together with the informational pamphlets*
34 *described in subdivision (a) of Section 7572, available*
35 *upon request to any parent. The district attorney shall*
36 *also provide qualified staff to answer parents' questions*
37 *regarding the declaration and the process of establishing*
38 *paternity.*

39 *(h) Copies of the declaration filed with the State*
40 *Office of Vital Records and Statistics shall be made*

1 *available only to the parents, the child, the district*
2 *attorney, and the State Department of Social Services.*

3 *SEC. 4. Section 7572 of the Family Code is amended*
4 *to read:*

5 7572. (a) The State Department of Social Services, in
6 consultation with the State Department of Health
7 Services, the California Association of Hospitals and
8 Health Systems, and other affected health provider
9 organizations, shall work cooperatively to develop
10 informational pamphlets and related materials to assist
11 providers and parents in complying with this chapter.

12 (b) *The informational pamphlets provided to*
13 *unmarried parents shall contain the following*
14 *information:*

15 (1) *A signed voluntary declaration of paternity that is*
16 *filed with the State Office of Vital Records and Statistics*
17 *legally establishes paternity.*

18 (2) *The legal rights and obligations of both parents and*
19 *the child that result from the establishment of paternity.*

20 (3) *An alleged father's constitutional rights to have the*
21 *issue of paternity decided by a court; to notice of any*
22 *hearing on the issue of paternity; to have an opportunity*
23 *to present his case to the court, including his right to*
24 *present and cross examine witnesses; to have an attorney*
25 *represent him; and to have an attorney appointed to*
26 *represent him if he cannot afford one in a paternity action*
27 *filed by the district attorney.*

28 (4) *That by signing the voluntary declaration of*
29 *paternity, the father is voluntarily waiving his*
30 *constitutional rights.*

31 (c) The State Department of Social Services shall, free
32 of charge, make available to hospitals, clinics, and other
33 places of birth any and all informational and training
34 materials for the program under this chapter, as well as
35 the paternity declaration form. The State Department of
36 Social Services shall make training available to every
37 hospital, clinic, and other place of birth no later than
38 October 31, 1994.

39 ~~(e)~~

(d) The State Department of Social Services may adopt regulations, including emergency regulations, necessary to implement this chapter.

SEC. 5. Section 7573 is added to the Family Code, to read:

7573. Except as provided in Sections 7575, 7576, and 7577, a completed voluntary declaration of paternity, as described in Section 7574, that has been filed with the State Office of Vital Records and Statistics shall establish the paternity of a child and shall have the same force and effect as a judgment for paternity issued by a court of competent jurisdiction. The voluntary declaration of paternity shall be recognized as a basis for the establishment of an order for child custody, visitation, or child support.

SEC. 6. Section 7574 of the Family Code is amended to read:

7574. In order for a ~~conclusive presumption~~ of paternity to be established pursuant to this chapter, the following must appear on the declaration:

(a) The full name, place, and date of birth of the child.

(b) The full name and current address of the attesting father of the child.

(c) The full name and current address of the attesting mother of the child.

(d) The social security numbers of the attesting mother and father of the child, on a voluntary basis.

(e) A notice captioned "READ THIS BEFORE SIGNING" conspicuously placed on the declaration stating:

"(1) FATHER AND MOTHER: You do not have to sign this form. The choice is up to you. If any part of this form does not make sense to you, talk to the county Family Support Division or a lawyer before you sign it.

(2) FATHER AND MOTHER: Paternity means legal fatherhood. ONLY the natural father may sign this form. ~~If the man signs this form, the law of California will give him certain rights. He~~ Once you have completed and signed this form and it is filed with the State Office of Vital Records and Statistics, the man who has signed the form

1 *will become the child's legal father. As the child's legal*
2 *father, he will have the same rights as if he were married*
3 *to the mother. These rights include custody, the right to*
4 *agree to adoption, and the right to visit your child. You*
5 *may want to pursue an order for custody (such as the*
6 *right to be consulted about adoption of the child). If you*
7 *later separate, you will need to go to court to decide who*
8 *pays child support and who has custody and visitation*
9 *rights, similar to what happens when married parents*
10 *divorce. Your child will have rights too (such as the right*
11 *to inherit from the father receive Social Security benefits*
12 *based on the father's earnings).*

13 (3) FATHER: Once you sign this form and say you are
14 the child's father, the law says you also have duties such
15 as helping to support your child. If you and the mother
16 separate, the court may order you to pay child support.

17 (4) FATHER: ~~You have the right to go to trial to~~
18 ~~decide paternity. At the trial you have the right to tell~~
19 ~~your side of the story, to ask questions, and make~~
20 ~~witnesses attend. By signing the form you understand~~
21 ~~that you are, by choice, giving up your right to a trial on~~
22 ~~the issue of paternity unless you challenge this paternity~~
23 ~~form. You have the right to a trial in court to decide the~~
24 ~~issue of paternity. You have the right to be notified in~~
25 ~~advance of any court action to decide paternity. If an~~
26 ~~action to establish paternity is filed against you in court,~~
27 ~~you have the right to be represented by an attorney. If the~~
28 ~~court action is filed by the district attorney, you may have~~
29 ~~the right to have an attorney appointed if you cannot~~
30 ~~afford to hire one. At the trial you have the right to tell~~
31 ~~your side of the story, to make witnesses attend, and to ask~~
32 ~~questions of other people that testify at the trial. By~~
33 ~~signing this declaration, you are, by your choice, giving up~~
34 ~~all of these rights.~~

35 (5) FATHER AND MOTHER: ~~This form can be~~
36 ~~challenged in court only by using blood or genetic test~~
37 ~~results that show that the man is not the natural father.~~
38 ~~This may be done if no more than three years have passed~~
39 ~~since the form was signed. This means three years from~~
40 ~~the date of the last signature. You have 60 days from the~~

1 date that you sign this form to change your mind, unless
2 an action is filed in court prior to the end of the 60-day
3 period based upon this declaration to establish custody,
4 visitation rights, or child support. If there is a hearing in
5 court before the end of the 60 days, your chance to change
6 your mind will end after the hearing. If either of you have
7 doubts that the man who signed the form is the father,
8 you may request a form to rescind this voluntary
9 declaration of paternity from the local family support
10 office and the local vital statistics office. In order for your
11 rescission to be valid, it must be filed with the State Office
12 of Vital Records and Statistics within 60 days from the
13 date the declaration of paternity was signed.

14 ~~(6) FATHER AND MOTHER: If there is no court~~
15 ~~challenge to paternity during the three-year period, the~~
16 ~~man signing this form is the legal father of the child. This~~
17 ~~is true even if blood or genetic tests show he is not the~~
18 ~~father after the three years have passed.~~

19 ~~(7)~~

20 (6) FATHER AND MOTHER: You do not have to
21 write down your social security number. The number
22 helps to find parents so that child support and other
23 benefits your child may need may be collected. If you
24 write down your social security number, it will be on any
25 copies that are made of this form.”

26 (7) FATHER AND MOTHER: If either or both of you
27 are under the age of 18 years, a voluntary declaration of
28 paternity will not establish paternity until 60 days after
29 both of you are age 18 or emancipated. If you want to
30 legally establish paternity before both of you are adults,
31 you will have to go to court.

32 (f) The signature of the father attesting under penalty
33 of perjury under the laws of the State of California that
34 the information provided is true and correct, that he has
35 read and fully understands the rights he is waiving, that
36 he is waiving those rights willingly, knowingly, and
37 intelligently, that he understands the duties imposed on
38 him as described in subdivision (e), and that he is
39 executing this declaration to establish that he is the
40 natural father of the child and understands, that by

1 acknowledging paternity of the child, he accepts an
2 obligation to provide child support under the laws of the
3 State of California.

4 (g) The signature of the natural mother attesting
5 under penalty of perjury under the laws of the State of
6 California that the information provided is true and
7 correct, that the man named is the natural father of her
8 child, that she is executing this declaration to name the
9 natural father of her child and that she fully understands
10 that, by executing this declaration, she is establishing the
11 paternal rights of the named father under the laws of the
12 State of California, which *may* include the right to
13 physical and legal custody of the child, the right to
14 consent to adoption of the child, and visitation rights *as*
15 *determined by a court.*

16 (h) The full name and signature of the person
17 witnessing the signing of the paternity declaration by
18 both the natural mother and the father.

19 (i) A statement that execution of this declaration
20 authorizes the state to add the signator's name as the
21 natural father of the child to the child's birth certificate.

22 *SEC. 7. Section 7575 of the Family Code is repealed.*

23 ~~7575. (a) (1) The presumption established by this~~
24 ~~chapter may be rebutted by any person by requesting~~
25 ~~blood or genetic tests pursuant to Chapter 2~~
26 ~~(commencing with Section 7550). The notice of motion~~
27 ~~for blood or genetic tests pursuant to this section shall be~~
28 ~~supported by a declaration under oath submitted by the~~
29 ~~moving party stating the factual basis for placing the issue~~
30 ~~of paternity before the court. The notice of motion for~~
31 ~~blood tests shall be made within three years from the date~~
32 ~~of execution of the declaration by the attesting father, or~~
33 ~~by the attesting mother, whichever signature is later. The~~
34 ~~two-year statute of limitations specified in subdivision (b)~~
35 ~~of Section 7541 is inapplicable for purposes of this section.~~

36 ~~(2) The Judicial Council, in consultation with the~~
37 ~~Family Support Council, the State Department of Social~~
38 ~~Services, a legal services organization providing~~
39 ~~representation on child support matters, and~~
40 ~~representatives of the Senate Judiciary Committee and~~

~~the Assembly Judiciary Committee, shall develop the forms and procedures necessary to effectuate this subdivision.~~

~~(b) A presumption under this chapter shall override all statutory presumptions of paternity except a presumption arising under Section 7540 or 7555.~~

SEC. 8. Section 7575 is added to the Family Code, to read:

7575. (a) Either parent may rescind the voluntary declaration of paternity by filing a rescission form with the State Office of Vital Records and Statistics within 60 days of the date of execution of the declaration by the attesting father or attesting mother, whichever signature is later, unless a court order for custody, visitation, or child support has been entered in an action in which the signatory seeking to rescind was a party. The State Department of Social Services shall develop a form to be used by parents to rescind the declaration of paternity and instruction on how to complete and file the rescission with the State Office of Vital Records and Statistics. The form and instructions shall be written in simple, easy to understand language and shall be made available at the local family support office and the local vital statistics office.

(b) (1) Nothing in this chapter shall be construed to prejudice or bar the rights of either parent to institute an action to have the court set aside the voluntary declaration of paternity based upon fraud, duress, material mistake of fact, or based upon a finding that there was not a valid waiver of rights. The parent seeking to set aside the voluntary declaration of paternity shall have the burden of proof. Any order for custody, visitation, or child support shall remain in effect until the court determines that the voluntary declaration of paternity should be set aside, subject to the court's power to modify the orders as otherwise provided by law.

(2) If the voluntary declaration of paternity is set aside pursuant to paragraph (1), the court shall order that the mother, child, and alleged father submit to blood or genetic tests pursuant to Chapter 2 (commencing with

1 Section 7550). If the court finds that the conclusions of all
2 the experts, as disclosed by the evidence based upon the
3 blood or genetic tests, are that the person who executed
4 the voluntary declaration of paternity is not the father of
5 the child, the question of paternity shall be resolved
6 accordingly. If the person who executed the declaration
7 as the father of the child is not excluded as a possible
8 father, the question of paternity shall be resolved as
9 otherwise provided by law. If the person who executed
10 the declaration of paternity is ultimately determined to
11 be the father of the child, any child support that accrued
12 under an order based upon the voluntary declaration of
13 paternity shall remain due and owing.

14 (3) The Judicial Council shall develop the forms and
15 procedures necessary to effectuate this subdivision.

16 SEC. 9. Section 7576 of the Family Code is repealed.

17 ~~7576. (a) If the declaration is not registered by the~~
18 ~~person responsible for registering live births at the~~
19 ~~hospital, clinic, or place of birth, it may be completed by~~
20 ~~the attesting parents and mailed to the State Office of~~
21 ~~Vital Records and Statistics at any time after the child's~~
22 ~~birth.~~

23 ~~(b) Declarations shall be made available without~~
24 ~~charge at all district attorney offices within this state. The~~
25 ~~State Department of Social Services and district attorneys~~
26 ~~shall publicize the availability of the declarations. The~~
27 ~~district attorney shall make the declaration, together with~~
28 ~~the informational pamphlets described in subdivision (a)~~
29 ~~of Section 7572, available upon request to any parent. The~~
30 ~~district attorney shall also provide qualified staff to~~
31 ~~answer parents' questions regarding the declaration and~~
32 ~~the process of establishing paternity.~~

33 ~~(c) The declaration, whether filed by the person~~
34 ~~responsible for registering live births, or by the parents at~~
35 ~~a later date, shall be numerically matched to the birth~~
36 ~~certificate.~~

37 ~~(d) Certified copies of the declaration shall be made~~
38 ~~available only to the parents, the child, the district~~
39 ~~attorney, and the State Department of Social Services.~~

1 SEC. 10. Section 7576 is added to the Family Code to
2 read:

3 7576. The following provisions shall apply for
4 voluntary declarations signed on or before December 31,
5 1996.

6 (a) Except as provided in subdivision (d), the child of
7 a woman and a man executing a declaration of paternity
8 under this chapter is conclusively presumed to be the
9 man's child. The presumption under this section has the
10 same force and effect as the presumption under Section
11 7540.

12 (b) A voluntary declaration of paternity shall be
13 recognized as the basis for the establishment of an order
14 for child custody or support.

15 (c) In any action to rebut the presumption created by
16 this section, a voluntary declaration of paternity shall be
17 admissible as evidence to determine paternity of the
18 child named in the voluntary declaration of paternity.

19 (d) The presumption established by this chapter may
20 be rebutted by any person by requesting blood or genetic
21 tests pursuant to Chapter 2 (commencing with Section
22 7550). The notice of motion for blood or genetic tests
23 pursuant to this section shall be supported by a
24 declaration under oath submitted by the moving party
25 stating the factual basis for placing the issue of paternity
26 before the court. The notice of motion for blood tests shall
27 be made within three years from the date of execution of
28 the declaration by the attesting father, or by the attesting
29 mother, whichever signature is later. The two-year
30 statute of limitations specified in subdivision (b) of
31 Section 7541 is inapplicable for purposes of this section.

32 (e) A presumption under this chapter shall override
33 all statutory presumptions of paternity except a
34 presumption arising under Section 7540 or 7555.

35 SEC. 11. Section 7577 is added to the Family Code to
36 read:

37 7577. (a) Notwithstanding Section 7573, a voluntary
38 declaration of paternity that is signed by a minor parent
39 or minor parents shall not establish paternity until 60 days

1 after both parents have reached the age of 18 years or are
2 emancipated, whichever first occurs.

3 (b) A minor parent may rescind the voluntary
4 declaration of paternity any time prior to that parent
5 reaching the age of 18 years or becoming emancipated,
6 whichever first occurs.

7 (c) A voluntary declaration of paternity signed by a
8 minor creates a rebuttable presumption of paternity until
9 the date that it establishes paternity as specified in
10 subdivision (a).

11 (d) A voluntary declaration of paternity signed by a
12 minor shall be admissible as evidence in any civil action
13 to establish paternity of the minor named in the voluntary
14 declaration.

15 (e) A voluntary declaration of paternity that is signed
16 by a minor shall not be admissible as evidence in a
17 criminal prosecution for violation of Section 261.5 of the
18 Penal Code.

19 SEC. 12. Section 7644 of the Family Code is amended
20 to read:

21 7644. (a) Notwithstanding any other law, an action
22 for child custody and support and for other relief as
23 provided in Section 7637 may be filed based upon a
24 voluntary declaration of paternity as provided in Chapter
25 3 (commencing with Section 7570) of Part 2.

26 (b) A copy of the voluntary declaration of paternity
27 shall be filed with the complaint seeking the relief
28 specified in subdivision (a). A copy of the voluntary
29 declaration of paternity shall be served with the
30 complaint on the party against whom the child custody or
31 support order is sought.

32 ~~(c) The court shall enter a judgment determining the~~
33 ~~existence of a parent and child relationship between the~~
34 ~~child and the attesting father named in the voluntary~~
35 ~~declaration of paternity unless one of the parties files a~~
36 ~~written objection to the voluntary declaration and the~~
37 ~~objection is filed within the three-year period specified in~~
38 ~~Section 7575. If an objection is filed in a timely manner~~
39 ~~pursuant to Section 7575, the court shall order blood tests~~
40 ~~and determine the issue of paternity pursuant to the~~

~~procedures set forth in Section 7541. Except as provided in Section 7576, the voluntary declaration of paternity shall be given the same force and effect as a judgment of paternity entered by a court of competent jurisdiction. The court shall make appropriate orders as specified in Section 7637 based upon the voluntary declaration of paternity unless evidence is presented that the voluntary declaration of paternity has been rescinded by the parties or set aside as provided in Section 7575 of the Family Code.~~

~~(d) The court shall issue an order for support for the minor child pursuant to Section 3600 during the pendency of any proceeding under this section.~~

~~(e) The Judicial Council, in consultation with the California Family Support Council, the State Department of Social Services, a legal services organization providing representation on child support matters, and representatives of the Senate Judiciary Committee and the Assembly Judiciary Committee, shall develop the forms and procedures necessary to implement this section.~~

SEC. 13. Section 22825.14 of the Government Code is amended to read:

22825.14. Any person or entity subject to the requirements of this chapter shall comply with the standards set forth in *Section 3751.5 of the Family Code and Section 14124.93 of the Welfare and Institutions Code; in the case of children who are eligible for medicaid services under Subchapter 19 (commencing with Section 1396) of Chapter 7 of Title 42 of the United States Code.*

SEC. 14. Section 1357 of the Health and Safety Code is amended to read:

1357. As used in this article:

(a) “Dependent” means the spouse or child of an eligible employee, subject to applicable terms of the health care plan contract covering the employee, and includes dependents of guaranteed association members if the association elects to include dependents under its health coverage at the same time it determines its membership composition pursuant to subdivision (o).

1 (b) “Eligible employee” means either of the following:

2 (1) Any permanent employee who is actively engaged
3 on a full-time basis in the conduct of the business of the
4 small employer with a normal workweek of at least 30
5 hours, at the small employer’s regular places of business,
6 who has met any statutorily authorized applicable
7 waiting period requirements. The term includes sole
8 proprietors or partners of a partnership, if they are
9 actively engaged on a full-time basis in the small
10 employer’s business and included as employees under a
11 health care plan contract of a small employer, but does
12 not include employees who work on a part-time,
13 temporary, or substitute basis. It includes any eligible
14 employee as defined in this paragraph who obtains
15 coverage through a guaranteed association. Employees of
16 employers purchasing through a guaranteed association
17 shall be deemed to be eligible employees if they would
18 otherwise meet the definition except for the number of
19 persons employed by the employer.

20 (2) Any member of a guaranteed association as
21 defined in subdivision (o).

22 (c) “In force business” means an existing health
23 benefit plan contract issued by the plan to a small
24 employer.

25 (d) “Late enrollee” means an eligible employee or
26 dependent who has declined enrollment in a health
27 benefit plan offered by a small employer at the time of the
28 initial enrollment period provided under the terms of the
29 health benefit plan and who subsequently requests
30 enrollment in a health benefit plan of that small
31 employer, provided that the initial enrollment period
32 shall be a period of at least 30 days. It also means any
33 member of an association that is a guaranteed association
34 as well as any other person eligible to purchase through
35 the guaranteed association when that person has failed to
36 purchase coverage during the initial enrollment period
37 provided under the terms of the guaranteed association’s
38 plan contract and who subsequently requests enrollment
39 in the plan, provided that the initial enrollment period
40 shall be a period of at least 30 days. However, an eligible

1 employee, any other person eligible for coverage through
2 a guaranteed association pursuant to subdivision (o), or
3 dependent shall not be considered a late enrollee if: (1)
4 the individual meets all of the following: (A) he or she was
5 covered under another employer health benefit plan at
6 the time the individual was eligible to enroll; (B) he or
7 she certified at the time of the initial enrollment that
8 coverage under another employer health benefit plan
9 was the reason for declining enrollment, provided that, if
10 the individual was covered under another employer
11 health plan, the individual was given the opportunity to
12 make the certification required by this subdivision and
13 was notified that failure to do so could result in later
14 treatment as a late enrollee; (C) he or she has lost or will
15 lose coverage under another employer health benefit
16 plan as a result of termination of employment of the
17 individual or of a person through whom the individual
18 was covered as a dependent, change in employment
19 status of the individual or of a person through whom the
20 individual was covered as a dependent, termination of
21 the other plan's coverage, cessation of an employer's
22 contribution toward an employee or dependent's
23 coverage, death of the person through whom the
24 individual was covered as a dependent, or divorce; and
25 (D) he or she requests enrollment within 30 days after
26 termination of coverage or employer contribution
27 toward coverage provided under another employer
28 health benefit plan; (2) the employer offers multiple
29 health benefit plans and the employee elects a different
30 plan during an open enrollment period; (3) a court has
31 ordered that coverage be provided for a spouse or minor
32 child under a covered employee's health benefit plan
33 and, *except as provided in Section 1374.3*, request for
34 enrollment is made within 30 days after issuance of the
35 court order; (4) (A) in the case of an eligible employee
36 as defined in paragraph (1) of subdivision (b), the plan
37 cannot produce a written statement from the employer
38 stating that the individual or the person through whom
39 the individual was eligible to be covered as a dependent,
40 prior to declining coverage, was provided with, and

1 signed, acknowledgment of an explicit written notice in
2 bold type specifying that failure to elect coverage during
3 the initial enrollment period permits the plan to impose,
4 at the time of the individual's later decision to elect
5 coverage, an exclusion from coverage for a period of 12
6 months as well as a six-month preexisting condition
7 exclusion, unless the individual meets the criteria
8 specified in paragraph (1), (2), or (3); (B) in the case of
9 an association member who did not purchase coverage
10 through a guaranteed association, the plan cannot
11 produce a written statement from the association stating
12 that the association sent a written notice in bold type to
13 all potentially eligible association members at their last
14 known address prior to the initial enrollment period
15 informing members that failure to elect coverage during
16 the initial enrollment period permits the plan to impose,
17 at the time of the member's later decision to elect
18 coverage, an exclusion from coverage for a period of 12
19 months as well as a six-month preexisting condition
20 exclusion unless the member can demonstrate that he or
21 she meets the requirements of subparagraphs (A), (C),
22 and (D) of paragraph (1) or paragraph (2) or (3); or (C)
23 in the case of an employer or person who is not a member
24 of an association, was eligible to purchase coverage
25 through a guaranteed association, and did not do so, and
26 would not be eligible to purchase guaranteed coverage
27 unless purchased through a guaranteed association, the
28 employer or person can demonstrate that he or she meets
29 the requirements of subparagraphs (A), (C), and (D) of
30 paragraph (1), or paragraph (2) or (3), or that he or she
31 recently had a change in status that would make him or
32 her eligible and that application for enrollment was made
33 within 30 days of the change.

34 (e) "New business" means a health care service plan
35 contract issued to a small employer that is not the plan's
36 in force business.

37 (f) "Preexisting condition provision" means a contract
38 provision that excludes coverage for charges or expenses
39 incurred during a specified period following the
40 employee's effective date of coverage, as to a condition

1 for which medical advice, diagnosis, care, or treatment
2 was recommended or received during a specified period
3 immediately preceding the effective date of coverage.

4 (g) “Qualifying prior coverage” means:

5 (1) Any individual or group policy, contract, or
6 program that is written or administered by a disability
7 insurer, nonprofit hospital service plan, health care
8 service plan, fraternal benefits society, self-insured
9 employer plan, or any other entity, in this state or
10 elsewhere, and that arranges or provides medical,
11 hospital, and surgical coverage not designed to
12 supplement other private or governmental plans. The
13 term includes continuation or conversion coverage but
14 does not include accident only, credit, disability income,
15 Medicare supplement, long-term care, dental, vision,
16 coverage issued as a supplement to liability insurance,
17 insurance arising out of a workers’ compensation or
18 similar law, automobile medical payment insurance, or
19 insurance under which benefits are payable with or
20 without regard to fault and that is statutorily required to
21 be contained in any liability insurance policy or
22 equivalent self-insurance.

23 (2) The federal Medicare program pursuant to Title
24 XVIII of the Social Security Act.

25 (3) The medicaid program pursuant to Title XIX of
26 the Social Security Act.

27 (4) Any other publicly sponsored program, provided
28 in this state or elsewhere, of medical, hospital, and
29 surgical care.

30 (h) “Rating period” means the period for which
31 premium rates established by a plan are in effect, and
32 shall be no less than six months.

33 (i) “Risk adjusted employee risk rate” means the rate
34 determined for an eligible employee of a small employer
35 in a particular risk category after applying the risk
36 adjustment factor.

37 (j) “Risk adjustment factor” means the percentage
38 adjustment to be applied equally to each standard
39 employee risk rate for a particular small employer, based
40 upon any expected deviations from standard cost of

1 services. This factor may not be more than 120 percent or
2 less than 80 percent until July 1, 1996. Effective July 1,
3 1996, this factor may not be more than 110 percent or less
4 than 90 percent.

5 (k) "Risk category" means the following
6 characteristics of an eligible employee: age, geographic
7 region, and family composition of the employee, plus the
8 health benefit plan selected by the small employer.

9 (1) No more than the following age categories may be
10 used in determining premium rates:

11 Under 30

12 30–39

13 40–49

14 50–54

15 55–59

16 60–64

17 65 and over

18 However, for the 65 and over age category, separate
19 premium rates may be specified depending upon
20 whether coverage under the plan contract will be
21 primary or secondary to benefits provided by the federal
22 Medicare program pursuant to Title XVIII of the federal
23 Social Security Act.

24 (2) Small employer health care service plans shall base
25 rates to small employers using no more than the following
26 family size categories:

27 (A) Single.

28 (B) Married couple.

29 (C) One adult and child or children.

30 (D) Married couple and child or children.

31 (3) (A) In determining rates for small employers, a
32 plan that operates statewide shall use no more than nine
33 geographic regions in the state, have no region smaller
34 than an area in which the first three digits of all its ZIP
35 Codes are in common within a county, and divide no
36 county into more than two regions. Plans shall be deemed
37 to be operating statewide if their coverage area includes
38 90 percent or more of the state's population. Geographic
39 regions established pursuant to this section shall, as a
40 group, cover the entire state, and the area encompassed

1 in a geographic region shall be separate and distinct from
2 areas encompassed in other geographic regions.
3 Geographic regions may be noncontiguous.

4 (B) In determining rates for small employers, a plan
5 that does not operate statewide shall use no more than the
6 number of geographic regions in the state than is
7 determined by the following formula: the population, as
8 determined in the last federal census, of all counties that
9 are included in their entirety in a plan's service area
10 divided by the total population of the state, as determined
11 in the last federal census, multiplied by nine. The
12 resulting number shall be rounded to the nearest whole
13 integer. No region may be smaller than an area in which
14 the first three digits of all its ZIP Codes are in common
15 within a county and no county may be divided into more
16 than two regions. The area encompassed in a geographic
17 region shall be separate and distinct from areas
18 encompassed in other geographic regions. Geographic
19 regions may be noncontiguous. No plan shall have less
20 than one geographic area.

21 Nothing in this section shall be construed to require a
22 plan to establish a new service area or to offer health
23 coverage on a statewide basis, outside of the plan's
24 existing service area.

25 (I) "Small employer" means either of the following:

26 (1) Any person, firm, proprietary or nonprofit
27 corporation, partnership, public agency, or association
28 that is actively engaged in business or service, that, on at
29 least 50 percent of its working days during the preceding
30 calendar quarter, employed at least three, but no more
31 than 50, eligible employees, the majority of whom were
32 employed within this state, that was not formed primarily
33 for purposes of buying health care service plan contracts,
34 and in which a bona fide employer-employee relationship
35 exists. However, for purposes of subdivisions (a), (b), and
36 (c) of Section 1357.03, the definition shall include
37 employers with at least five eligible employees until July
38 1, 1994, four eligible employees until July 1, 1995, and
39 three eligible employees thereafter. In determining the
40 number of eligible employees, companies that are

1 affiliated companies and that are eligible to file a
2 combined tax return for purposes of state taxation shall be
3 considered one employer. Subsequent to the issuance of
4 a health care service plan contract to a small employer
5 pursuant to this article, and for the purpose of
6 determining eligibility, the size of a small employer shall
7 be determined annually. Except as otherwise specifically
8 provided in this article, provisions of this article that apply
9 to a small employer shall continue to apply until the plan
10 contract anniversary following the date the employer no
11 longer meets the requirements of this definition. It
12 includes any small employer as defined in this paragraph
13 who purchases coverage through a guaranteed
14 association, and any employer purchasing coverage for
15 employees through a guaranteed association.

16 (2) Any guaranteed association, as defined in
17 subdivision (n), that purchases health coverage for
18 members of the association.

19 (m) “Standard employee risk rate” means the rate
20 applicable to an eligible employee in a particular risk
21 category in a small employer group.

22 (n) “Guaranteed association” means a nonprofit
23 organization comprised of a group of individuals or
24 employers who associate based solely on participation in
25 a specified profession or industry, accepting for
26 membership any individual or employer meeting its
27 membership criteria, and that (1) includes one or more
28 small employers as defined in paragraph (1) of
29 subdivision (l), (2) does not condition membership
30 directly or indirectly on the health or claims history of any
31 person, (3) uses membership dues solely for and in
32 consideration of the membership and membership
33 benefits, except that the amount of the dues shall not
34 depend on whether the member applies for or purchases
35 insurance offered to the association, (4) is organized and
36 maintained in good faith for purposes unrelated to
37 insurance, (5) has been in active existence on January 1,
38 1992, and for at least five years prior to that date, (6) has
39 included health insurance as a membership benefit for at
40 least five years prior to January 1, 1992, (7) has a

1 constitution and bylaws, or other analogous governing
2 documents that provide for election of the governing
3 board of the association by its members, (8) offers any
4 plan contract that is purchased to all individual members
5 and employer members in this state, (9) includes any
6 member choosing to enroll in the plan contracts offered
7 to the association provided that the member has agreed
8 to make the required premium payments, and (10)
9 covers at least 1,000 persons with the health care service
10 plan with which it contracts. The requirement of 1,000
11 persons may be met if component chapters of a statewide
12 association contracting separately with the same carrier
13 cover at least 1,000 persons in the aggregate.

14 This subdivision applies regardless of whether a
15 contract issued by a plan is with an association or a trust
16 formed for, or sponsored by, an association to administer
17 benefits for association members.

18 For purposes of this subdivision, an association formed
19 by a merger of two or more associations after January 1,
20 1992, and otherwise meeting the criteria of this
21 subdivision shall be deemed to have been in active
22 existence on January 1, 1992, if its predecessor
23 organizations had been in active existence on January 1,
24 1992, and for at least five years prior to that date and
25 otherwise met the criteria of this subdivision.

26 (o) "Members of a guaranteed association" means any
27 individual or employer meeting the association's
28 membership criteria if that person is a member of the
29 association and chooses to purchase health coverage
30 through the association. At the association's discretion, it
31 also may include employees of association members,
32 association staff, retired members, retired employees of
33 members, and surviving spouses and dependents of
34 deceased members. However, if an association chooses to
35 include these persons as members of the guaranteed
36 association, the association shall make that election in
37 advance of purchasing a plan contract. Health care
38 service plans may require an association to adhere to the
39 membership composition it selects for up to 12 months.

1 *SEC. 15. Section 1357.50 of the Health and Safety*
2 *Code is amended to read:*

3 1357.50. For purposes of this article:

4 (a) “Health benefit plan” means any individual or
5 group, insurance policy or health care service plan
6 contract, that provides medical, hospital, and surgical
7 benefits. The term does not include accident only, credit,
8 disability income, coverage of Medicare services
9 pursuant to contracts with the United States government,
10 Medicare supplement, long-term care insurance, dental,
11 vision, coverage issued as a supplement to liability
12 insurance, insurance arising out of a workers’
13 compensation or similar law, automobile medical
14 payment insurance, or insurance under which benefits
15 are payable with or without regard to fault and that is
16 statutorily required to be contained in any liability
17 insurance policy or equivalent self-insurance.

18 (b) “Late enrollee” means an eligible employee or
19 dependent who has declined health coverage under a
20 health benefit plan offered through employment or
21 sponsored by an employer at the time of the initial
22 enrollment period provided under the terms of the
23 health benefit plan, and who subsequently requests
24 enrollment in a health benefit plan of that employer;
25 provided that the initial enrollment period shall be a
26 period of at least 30 days. However, an eligible employee
27 or dependent shall not be considered a late enrollee if any
28 of the following is applicable:

29 (1) The individual meets all of the following
30 requirements:

31 (A) The individual was covered under another
32 employer health benefit plan at the time the individual
33 was eligible to enroll.

34 (B) The individual certified, at the time of the initial
35 enrollment that coverage under another employer health
36 benefit plan was the reason for declining enrollment
37 provided that, if the individual was covered under
38 another employer health plan, the individual was given
39 the opportunity to make the certification required by this

1 subdivision and was notified that failure to do so could
2 result in later treatment as a late enrollee.

3 (C) The individual has lost or will lose coverage under
4 another employer health benefit plan as a result of
5 termination of employment of the individual or of a
6 person through whom the individual was covered as a
7 dependent, change in employment status of the
8 individual or of a person through whom the individual
9 was covered as a dependent, termination of the other
10 plan's coverage, cessation of an employer's contribution
11 toward an employee or dependent's coverage, death of a
12 person through whom the individual was covered as a
13 dependent, or divorce.

14 (D) The individual requests enrollment within 30 days
15 after termination of coverage, or cessation of employer
16 contribution toward coverage provided under another
17 employer health benefit plan.

18 (2) The individual is employed by an employer that
19 offers multiple health benefit plans and the individual
20 elects a different plan during an open enrollment period.

21 (3) A court has ordered that coverage be provided for
22 a spouse or minor child under a covered employee's
23 health benefit plan. The health benefits plan shall enroll
24 a dependent child within 30 days ~~of presentation~~ after
25 receipt of a court order ~~by the~~ or request from the
26 noncustodial parent, district attorney, ~~or upon~~
27 presentation of a court order or request by a custodial
28 party, as described in subdivision (f) of Section 3751.5 of
29 the Family Code and subdivision (j) of Section 14124.93
30 of the Welfare and Institutions Code, ~~or the Medi-Cal~~
31 ~~program~~ employer, or group administrator. In the case of
32 children who are eligible for medicaid, the State
33 Department of Health Services may also make the
34 request.

35 (4) The plan cannot produce a written statement from
36 the employer stating that, prior to declining coverage,
37 the individual or the person through whom the individual
38 was eligible to be covered as a dependent was provided
39 with, and signed acknowledgment of, explicit written
40 notice in bold type specifying that failure to elect

1 coverage during the initial enrollment period permits the
2 plan to impose, at the time of the individual's later
3 decision to elect coverage, an exclusion from coverage for
4 a period of 12 months as well as a six-month preexisting
5 condition exclusion, unless the individual meets the
6 criteria specified in paragraph (1), (2), or (3).

7 (c) "Preexisting condition provision" means a
8 contract provision that excludes coverage for charges or
9 expenses incurred during a specified period following the
10 enrollee's effective date of coverage, as to a condition for
11 which medical advice, diagnosis, care, or treatment was
12 recommended or received during a specified period
13 immediately preceding the effective date of coverage.

14 (d) "Qualifying prior coverage" means:

15 (1) Any individual or group policy, contract or
16 program, that is written or administered by a disability
17 insurance company, nonprofit hospital service plan,
18 health care service plan, fraternal benefits society,
19 self-insured employer plan, or any other entity, in this
20 state or elsewhere, and that arranges or provides medical,
21 hospital and surgical coverage not designed to
22 supplement other private or governmental plans. The
23 term includes continuation or conversion coverage but
24 does not include accident only, credit, disability income,
25 Medicare supplement, long-term care insurance, dental,
26 vision, coverage issued as a supplement to liability
27 insurance, insurance arising out of a workers'
28 compensation or similar law, automobile medical
29 payment insurance, or insurance under which benefits
30 are payable with or without regard to fault and that is
31 statutorily required to be contained in any liability
32 insurance policy or equivalent self-insurance.

33 (2) The federal Medicare program pursuant to Title
34 XVIII of the Social Security Act.

35 (3) The medicaid program pursuant to Title XIX of
36 the Social Security Act.

37 (4) Any other publicly sponsored program, provided
38 in this state or elsewhere, of medical, hospital and surgical
39 care.

(e) “Waivered condition” means a contract provision that excludes coverage for charges or expenses incurred during a specified period of time for one or more specific, identified, medical conditions.

SEC. 16. Section 1374.3 of the Health and Safety Code is amended to read:

1374.3. Notwithstanding any other provision of this ~~article~~ chapter or of a health care service plan contract, every health care service plan shall comply with the requirements of *Section 3751.5 of the Family Code and Section 14124.93 of the Welfare and Institutions Code* ~~in the case of children who are eligible for medicaid services under Subchapter 19 (commencing with Section 1396) of Chapter 7 of Title 42 of the United States Code.~~

SEC. 17. Section 102425 of the Health and Safety Code is amended to read:

102425. (a) The certificate of live birth for any live birth occurring on or after January 1, 1980, shall contain those items necessary to establish the fact of the birth and shall contain only the following information:

(1) Full name and sex of child.

(2) Date of birth, including month, day, hour, and year.

(3) Planned place of birth and place of birth.

(4) Full name of father, birthplace, and date of birth of father including month, day, and year. *If the parents are not married to each other, the father’s name shall not be listed on the birth certificate unless the father and the mother sign a voluntary declaration of paternity at the hospital or other place of birth within 10 days of the child’s birth. The birth certificate may be amended to add the father’s name at a later date only if paternity for the child has been legally established.*

(5) Full birth name of mother, birthplace, and date of birth of mother including month, day, and year.

(6) Multiple births and birth order of multiple births.

(7) Signature, and relationship to child, of a parent or other informant, and date signed.

(8) Name, title, and mailing address of attending physician and surgeon or principal attendant, signature,

1 and certification of live birth by attending physician and
2 surgeon or principal attendant or certifier, date signed,
3 and name and title of certifier if other than attending
4 physician and surgeon or principal attendant.

5 (9) Date accepted for registration and signature of
6 local registrar.

7 (10) A state birth certificate number and local
8 registration district and number.

9 (11) A blank space for entry of date of death with a
10 caption reading "Date of Death."

11 (b) In addition to the items listed in subdivision (a),
12 the certificate of live birth shall contain the following
13 medical and social information, provided that the
14 information is kept confidential pursuant to Sections
15 102430 and 102447 and is clearly labeled "Confidential
16 Information for Public Health Use Only":

17 (1) Birth weight.

18 (2) Pregnancy history.

19 (3) Race and ethnicity of mother and father.

20 (4) Residence address of mother.

21 (5) A blank space for entry of census tract for mother's
22 address.

23 (6) Month prenatal care began and number of
24 prenatal visits.

25 (7) Date of last normal menses.

26 (8) Description of complications of pregnancy and
27 concurrent illnesses, congenital malformation, and any
28 complication of labor and delivery, including surgery;
29 provided that this information is essential medical
30 information and appears in total on the face of the
31 certificate.

32 (9) Mother's and father's occupations and kind of
33 business or industry.

34 (10) Education level of mother and father.

35 (11) Principal source of pay for prenatal care, which
36 shall include all of the following: Medi-Cal, health
37 maintenance organization or prepaid health plan, private
38 insurance companies, medically indigent, self-pay, other
39 sources which shall include, Medicare, workers'
40 compensation, Title V, other government or

1 nongovernment programs, no charge, and other
2 categories as determined by the State Department of
3 Health Services.

4 This paragraph shall become inoperative on January 1,
5 1999, or on the implementation date of the decennial
6 birth certificate revision due to occur on or about January
7 1, 1999, whichever occurs first.

8 (12) Expected principal source of pay for delivery,
9 which shall include all of the following: Medi-Cal, health
10 maintenance organization or prepaid health plan, private
11 insurance companies, medically indigent, self-pay, other
12 sources which shall include, Medicare, workers'
13 compensation, Title V, other government or
14 nongovernment programs, no charge, and other
15 categories as determined by the State Department of
16 Health Services.

17 This paragraph shall become inoperative on January 1,
18 1999, or on the implementation date of the decennial
19 birth certificate revision due to occur on or about January
20 1, 1999, whichever occurs first.

21 (13) An indication of whether or not the child's parent
22 desires the automatic issuance of a Social Security
23 number to the child.

24 (14) On and after January 1, 1995, the social security
25 numbers of the mother and father, unless subdivision (b)
26 of Section 102150 applies.

27 (c) Item 8, specified in subdivision (b), shall be
28 completed by the attending physician and surgeon or the
29 attending physician's and surgeon's designated
30 representative. The names and addresses of children
31 born with congenital malformations, who require
32 followup treatment, as determined by the child's
33 physician and surgeon, shall be furnished by the physician
34 and surgeon to the local health officer, if permission is
35 granted by either parent of the child.

36 (d) The parent shall only be asked to sign the form
37 after both the public portion and the confidential medical
38 and social information items have been entered upon the
39 certificate of live birth.



1 (e) The State Registrar shall instruct all local registrars
2 to collect the information specified in this section with
3 respect to certificates of live birth. The information shall
4 be transcribed on the certificate of live birth in use at the
5 time and shall be limited to the information specified in
6 this section.

7 Information relating to concurrent illnesses,
8 complications of pregnancy and delivery, and congenital
9 malformations shall be completed by the physician and
10 surgeon, or physician's and surgeon's designee, inserting
11 in the space provided on the confidential portion of the
12 certificate the appropriate number or numbers listed on
13 the VS-10A supplemental worksheet. The VS-10A
14 supplemental form shall be used as a worksheet only and
15 shall not in any manner be linked with the identity of the
16 child or the mother, nor submitted with the certificate to
17 the State Registrar. All information transferred from the
18 worksheet to the certificate shall be fully explained to the
19 parent or other informant prior to the signing of the
20 certificate. No questions relating to drug or alcohol abuse
21 may be asked.

22 (f) If the implementation date of the decennial birth
23 certificate revision occurs prior to January 1, 1999, within
24 30 days of this implementation date the State
25 Department of Health Services shall file a letter with the
26 Secretary of the Senate and with the Chief Clerk of the
27 Assembly, so certifying.

28 *SEC. 18. Section 10119 of the Insurance Code is*
29 *amended to read:*

30 10119. On and after the operative date of this section:

31 (a) No policy of disability insurance which, in addition
32 to covering the insured, also covers members of the
33 insured's immediate family, may be issued or amended in
34 this state if it contains any disclaimer, waiver, or other
35 limitation of coverage relative to the accident and
36 sickness coverage or insurability of newborn infants of an
37 insured from and after the moment of birth or of any
38 minor child placed with an insured for adoption from and
39 after the moment the child is placed in the physical
40 custody of the insured for adoption.

(b) Each such policy of disability insurance shall contain a provision granting immediate accident and sickness coverage to each newborn infant of, and each minor child placed for adoption with, any insured as required by subdivision (a).

(c) A policy of disability insurance, self-insured care coverage, employee welfare benefit plan, or nonprofit hospital service plan, shall comply with the standards set forth in *Section 3751.5 of the Family Code* and *Section 14124.93 of the Welfare and Institutions Code*, ~~in the case of children who are eligible for medicaid services under Subchapter 19 (commencing with Section 1396) of Chapter 7 of Title 42 of the United States Code.~~

SEC. 19. Section 10121.6 of the Insurance Code is amended to read:

10121.6. (a) No policy of group disability insurance or self-insured employee welfare benefit plan which provides hospital, medical, or surgical expense benefits for employees, insureds, or policyholders and their dependents shall exclude a dependent child from eligibility or benefits solely because the dependent child does not reside with the employee, insured, or policyholder.

(b) Each policy of group disability insurance or self-insured employee welfare benefit plan which provides hospital, medical, or surgical expense benefits for employees, insureds, or policyholders and their dependents shall enroll, upon application by the employer or group administrator, a dependent child of the noncustodial parent when that parent is the employee, insured, or policyholder at any time the noncustodial ~~or parent, custodial-parent party, or district attorney~~ makes an application for enrollment to the employer or group administrator when a court order for medical support exists. ~~—The Except as provided in subdivision (c) of Section 10119, the application to the employer or group administrator shall be made within 90 days of the issuance of the court order. In the case of children who are eligible for medicaid, the State Department of Health Services or the district attorney in~~

~~whose jurisdiction the child resides~~ may *also* make that application.

SEC. 20. Section 10198.6 of the Insurance Code is amended to read:

10198.6. For purposes of this article:

(a) "Health benefit plan" means any group or individual policy or contract that provides medical, hospital, and surgical benefits. The term does not include accident only, credit, disability income, coverage of Medicare services pursuant to contracts with the United States government, Medicare supplement, long-term care insurance, dental, vision, coverage issued as a supplement to liability insurance, insurance arising out of a workers' compensation or similar law, automobile medical payment insurance, or insurance under which benefits are payable with or without regard to fault and that is statutorily required to be contained in any liability insurance policy or equivalent self-insurance.

(b) "Late enrollee" means an eligible employee or dependent who has declined health coverage under a health benefit plan offered through employment or sponsored by an employer at the time of the initial enrollment period provided under the terms of the health benefit plan, and who subsequently requests enrollment in a health benefit plan of that employer; provided that the initial enrollment period shall be a period of at least 30 days. However, an eligible employee or dependent shall not be considered a late enrollee if any of the following is applicable:

(1) The individual meets all of the following requirements:

(A) The individual was covered under another employer health benefit plan at the time the individual was eligible to enroll.

(B) The individual certified, at the time of the initial enrollment that coverage under another employer health benefit plan was the reason for declining enrollment provided that, if the individual was covered under another employer health plan, the individual was given the opportunity to make the certification required by this

1 subdivision and was notified that failure to do so could
2 result in later treatment as a late enrollee.

3 (C) The individual has lost or will lose coverage under
4 another employer health benefit plan as a result of
5 termination of employment of the individual or of a
6 person through whom the individual was covered as a
7 dependent, change in employment status of the
8 individual or of a person through whom the individual
9 was covered as a dependent, termination of the other
10 plan's coverage, cessation of an employer's contribution
11 toward an employee or dependent's coverage, death of a
12 person through whom the individual was covered as a
13 dependent, or divorce.

14 (D) The individual requests enrollment within 30 days
15 after termination of coverage, or cessation of employer
16 contribution toward coverage provided under another
17 employer health benefit plan.

18 (2) The individual is employed by an employer that
19 offers multiple health benefit plans and the individual
20 elects a different plan during an open enrollment period.

21 (3) A court has ordered that coverage be provided for
22 a spouse or minor child under a covered employee's
23 health benefit plan and, *except as provided in subdivision*
24 *(c) of Section 10119*, request for enrollment is made
25 within 30 days after issuance of the court order.

26 (4) The carrier cannot produce a written statement
27 from the employer stating that, prior to declining
28 coverage, the individual or the person through whom the
29 individual was eligible to be covered as a dependent was
30 provided with, and signed acknowledgment of, explicit
31 written notice in bold type specifying that failure to elect
32 coverage during the initial enrollment period permits the
33 carrier to impose, at the time of the individual's later
34 decision to elect coverage, an exclusion from coverage for
35 a period of twelve months as well as a six month
36 preexisting condition exclusion, unless the individual
37 meets the criteria specified in ~~paragraphs~~ *paragraph* (1),
38 (2), or (3).

39 (c) "Preexisting condition provision" means a policy
40 provision that excludes coverage for charges or expenses

1 incurred during a specified period following the insured's
2 effective date of coverage, as to a condition for which
3 medical advice, diagnosis, care, or treatment was
4 recommended or received during a specified period
5 immediately preceding the effective date of coverage.

6 (d) "Qualifying prior coverage" means:

7 (1) Any individual or group policy, contract or
8 program, that is written or administered by a disability
9 insurance company, nonprofit hospital service plan,
10 health care service plan, fraternal benefits society,
11 self-insured employer plan, or any other entity, in this
12 state or elsewhere, and that arranges or provides medical,
13 hospital, and surgical coverage not designed to
14 supplement other private or governmental plans. The
15 term includes continuation or conversion coverage but
16 does not include accident only, credit, disability income,
17 Medicare supplement, long-term care insurance, dental,
18 vision, coverage issued as a supplement to liability
19 insurance, insurance arising out of a workers'
20 compensation or similar law, automobile medical
21 payment insurance, or insurance under which benefits
22 are payable with or without regard to fault and that is
23 statutorily required to be contained in any liability
24 insurance policy or equivalent self-insurance.

25 (2) The federal Medicare program pursuant to Title
26 XVIII of the Social Security Act.

27 (3) The medicaid program pursuant to Title XIX of
28 the Social Security Act.

29 (4) Any other publicly sponsored program, provided
30 in this state or elsewhere, of medical, hospital and surgical
31 care.

32 *SEC. 21. Section 10702.1 of the Insurance Code is*
33 *amended to read:*

34 10702.1. Any person or entity subject to the
35 requirements of this chapter shall comply with the
36 standards set forth in *Section 3751.5 of the Family Code*
37 *and Section 14124.93 of the Welfare and Institutions Code;*
38 ~~in the case of children who are eligible for medicaid~~
39 ~~services under Subchapter 19 (commencing with Section~~
40 ~~1396) of Chapter 7 of Title 42 of the United States Code.~~

1 SEC. 22. Section 10711 of the Insurance Code is
2 amended to read:

3 10711. No carrier shall be required by the provisions
4 of this chapter:

5 (a) To offer coverage to, or accept applications from,
6 a small employer as defined in paragraph (1) of
7 subdivision (w) of Section 10700, where the small
8 employer is not physically located in a carrier's approved
9 service areas.

10 (b) To offer coverage to or accept applications from a
11 small employer as defined in paragraph (2) of subdivision
12 (w) of Section 10700 where the small employer is seeking
13 coverage for eligible employees who do not work or
14 reside in a carrier's approved service areas.

15 (c) To include in a health benefits plan an otherwise
16 eligible employee or dependent, when the eligible
17 employee or dependent does not work or reside within a
18 carrier's approved service area, *except as provided in*
19 *Section 10702.1.*

20 (d) To offer coverage to, or accept applications from,
21 a small employer for a benefits plan design within an area
22 if the commissioner has found that the carrier will not
23 have the capacity within the area in its network of
24 providers to deliver service adequately to the eligible
25 employees and dependents of that employee because of
26 its obligations to existing group contractholders and
27 enrollees and that the action is not unreasonable or
28 clearly inconsistent with the intent of this chapter.

29 A carrier that cannot offer coverage to small employers
30 in a specific service area because it is lacking sufficient
31 capacity may not offer coverage in the applicable area to
32 new employer groups with more than 50 eligible
33 employees until the carrier notifies the commissioner
34 that it has regained capacity to deliver services to small
35 employers, and certifies to the commissioner that from
36 the date of the notice it will enroll all small groups
37 requesting coverage from the carrier until the carrier has
38 met the requirements of subdivision (h) of Section 10705.

39 (e) To offer coverage to a small employer, or an
40 eligible employee as defined in paragraph (2) of

1 subdivision (g) of Section 10700, who within 12 months of
2 application for coverage terminated from a health
3 benefit plan offered by the carrier.

4 *SEC. 23. Section 10719.1 of the Insurance Code is*
5 *amended to read:*

6 10719.1. Any person or entity subject to the
7 requirements of this chapter shall comply with the
8 standards set forth in *Section 3751.5 of the Family Code*
9 *and Section 14124.93 of the Welfare and Institutions Code;*
10 ~~in the case of children who are eligible for medicaid~~
11 ~~services under Subchapter 19 (commencing with Section~~
12 ~~1396) of Chapter 7 of Title 42 of the United States Code.~~

13 *SEC. 24. Section 10731.2 of the Insurance Code is*
14 *amended to read:*

15 10731.2. Any person or entity subject to the
16 requirements of this chapter shall comply with the
17 standards set forth in *Section 3751.5 of the Family Code*
18 *and Section 14124.93 of the Welfare and Institutions Code;*
19 ~~in the case of children who are eligible for medicaid~~
20 ~~services under Subchapter 19 (commencing with Section~~
21 ~~1396) of Chapter 7 of Title 42 of the United States Code.~~

22 *SEC. 25. Section 11516.1 of the Insurance Code is*
23 *amended to read:*

24 11516.1. (a) No group nonprofit hospital service plan
25 which provides hospital, medical, or surgical expense
26 benefits for employees, members, or policyholders and
27 their dependents shall exclude a dependent child from
28 eligibility or benefits solely because the dependent child
29 does not reside with the employee, member, or
30 policyholder.

31 (b) A group nonprofit hospital service plan which
32 provides hospital, medical, or surgical expense benefits
33 for employees, members, or policyholders and their
34 dependents shall enroll, upon application by the
35 employer or group administrator, a dependent child of
36 the noncustodial parent when that parent is the
37 employee, member, or policyholder of the plan at any
38 time the noncustodial ~~or parent~~, custodial ~~parent~~ party,
39 ~~or district attorney~~ makes an application for enrollment
40 to the employer or group administrator when a court

order for medical support exists. ~~The Except as provided in subdivision (c) of Section 10119, the application to the employer or group administrator shall be made within 90 days of the issuance of the court order. In the case of children who are eligible for medicaid, the State Department of Health Services or the district attorney in whose jurisdiction the child resides may also make that application.~~

SEC. 26. Section 2803.5 of the Labor Code is amended to read:

2803.5. Any employer who offers health care coverage, including employers and insurers, shall comply with the standards set forth in Section 3751.5 of the Family Code and Section 14124.93 of the Welfare and Institutions Code.

SEC. 27. Section 270i is added to the Penal Code, to read:

270i. (a) A person who, knowing that an obligor has a duty under an administrative or judicial order for payment of child support, does either of the acts specified in paragraphs (1) or (2) is guilty of a misdemeanor, punishable by imprisonment in a county jail not exceeding one year, by a fine equal to the amount that is delinquent under the child support order, but not exceeding two thousand five hundred dollars (\$2,500), or by both that imprisonment and fine.

(1) The person withholds information about the residence or employment of the obligor when a child support enforcement agency requests that information. The request shall include the following statement in ~~bold~~ *boldfaced* type: *The above named person owes a duty of child support pursuant to a judicial or administrative order.* Section 270i of the Penal Code makes it a ~~misdemeanor to knowingly withhold information about~~ *misdemeanor for any person to knowingly withhold information from a child support enforcement agency about the residence or employment of an individual who owes a duty of child support.*

(2) (A) The person participates in a commercial, business, employment, or other financial arrangement

1 with the obligor, knowing at the time the arrangement is
2 made that it will allow the obligor to avoid paying all or
3 some of the child support when it is due or to avoid having
4 a lien placed on assets for the payment of delinquent child
5 support.

6 (B) It is a defense to prosecution under this paragraph
7 that the defendant did not intend to assist the obligor in
8 the nonpayment of child support or the obligor did not
9 intend to avoid paying child support.

10 (b) This section does not prohibit an attorney who
11 represents a child support obligor in proceedings to
12 contest or modify a child support order from entering
13 into an arrangement with the obligor for the purpose of
14 payment of that attorney's fees.

15 ~~(c) This section shall not apply to state or federally~~
16 ~~chartered banks, savings institutions, or industrial loan~~
17 ~~companies or their employees when providing banking~~
18 ~~or lending services or dealing with the security on loans~~
19 ~~made by the bank, savings institution, or industrial loan~~
20 ~~company.~~

21 *(c) This section shall not apply to title or escrow*
22 *companies, any state or federally regulated or licensed*
23 *lenders or arrangers of credit or their subsidiaries,*
24 *affiliates, or employees when providing title or escrow*
25 *services, or any banking or lending services making or*
26 *arranging loans, or enforcing or dealing with the security*
27 *on any lien.*

28 (d) In any case in which there is a conviction under
29 this section and a fine is imposed, the court shall direct the
30 fine to be paid in whole or in part to the obligee, ~~except~~
31 ~~that if the children are receiving public assistance, all~~
32 ~~finances, penalties, or forfeitures imposed and all funds~~
33 ~~collected from the defendant shall be paid to the county~~
34 ~~department providing the assistance. Money so paid shall~~
35 ~~be applied first to the support for the calendar month~~
36 ~~following its receipt by the county department and any~~
37 ~~balance remaining shall be applied to future needs, or be~~
38 ~~treated as reimbursement for past support furnished~~
39 ~~from public assistance funds.~~

~~SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.~~

~~Notwithstanding Section 17580 of the Government Code, unless otherwise specified, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.~~

SEC. 28. Section 11350.3 of the Welfare and Institutions Code is amended to read:

11350.3. In any action filed by the district attorney pursuant to Section 11350 or 11350.1, the district attorney shall provide the mother and the alleged father the opportunity to voluntarily acknowledge paternity by signing a paternity declaration as described in Section 7574 of the Family Code prior to a hearing or trial where the paternity of a minor child is at issue. The opportunity to voluntarily acknowledge paternity may be provided either before or after an action pursuant to Section 11350 or 11350.1 is filed and served upon the alleged father. *For the purpose of meeting the requirements of this action, the district attorney may afford the defendant an opportunity to enter into a stipulation for judgment of paternity after an action has been filed in lieu of the voluntary declaration of paternity.*

SEC. 29. Section 11350.4 of the Welfare and Institutions Code is amended to read:

11350.4. (a) Notwithstanding any other law, an action for child support may be brought by the district attorney on behalf of a minor child or caretaker parent based upon a voluntary declaration of paternity as provided in ~~Section 7571 of the Family Code Chapter 3 (commencing with Section 7570) of Part 2 of Division 12 of the Family Code.~~

1 (b) A copy of the voluntary declaration of paternity
2 shall be filed with the complaint for child support filed by
3 the district attorney, and a copy shall be served with the
4 complaint on the party against whom the child support
5 order is sought.

6 ~~(c) The court shall enter a judgment determining the~~
7 ~~existence of a parent and child relationship between the~~
8 ~~child and the attesting father named in the voluntary~~
9 ~~declaration of paternity unless a written objection to the~~
10 ~~voluntary declaration of paternity is filed with the court~~
11 ~~within the three year period specified in Section 7575 of~~
12 ~~the Family Code. If an objection is filed in a timely~~
13 ~~manner, the court shall order blood tests and determine~~
14 ~~the issue of paternity pursuant to Section 7541 of the~~
15 ~~Family Code. Except as provided in Sections 7576 and~~
16 ~~7577 of the Family Code, the voluntary declaration of~~
17 ~~paternity shall be given the same force and effect as a~~
18 ~~judgment for paternity entered by a court of competent~~
19 ~~jurisdiction. The court shall make appropriate orders for~~
20 ~~support of the minor child based upon the voluntary~~
21 ~~declaration of paternity unless evidence is presented that~~
22 ~~the voluntary declaration of paternity has been rescinded~~
23 ~~by the parties or set aside by a court as provided in Section~~
24 ~~7575 of the Family Code.~~

25 ~~(d) The court shall issue an order for support for the~~
26 ~~minor child pursuant to Section 3600 of the Family Code~~
27 ~~during the pendency of any proceeding to determine~~
28 ~~parentage.~~

29 ~~(e) The Judicial Council, in consultation with the~~
30 ~~California Family Support Council, the State~~
31 ~~Department of Social Services, a legal services~~
32 ~~organization providing representation on child support~~
33 ~~matters, and representatives of the Senate Judiciary~~
34 ~~Committee and the Assembly Judiciary Committee, shall~~
35 ~~develop the forms and procedures necessary to~~
36 ~~implement this section.~~

37 *SEC. 30. Section 14124.93 of the Welfare and*
38 *Institutions Code, as added by Section 24 of Chapter 147*
39 *of the Statutes of 1994, is amended to read:*

1 14124.93. (a) The district attorney or party with
2 custody of a child shall act to enforce an outstanding
3 support order that requires that health care coverage be
4 provided to the child.

5 (b) To the extent required by ~~federal~~ law, any support
6 obligor, and his or her employer and health care insurer,
7 shall comply with *Chapter 7 (commencing with Section*
8 *3750) of Part 1 of Division 9 of the Family Code* and the
9 standards set forth in this section.

10 (c) An employer or insurer shall not deny enrollment
11 of a child under the health coverage of a child's parent on
12 any of the following grounds:

13 (1) The child was born out of wedlock.

14 (2) The child is not claimed as a dependent on the
15 parent's federal income tax return.

16 (3) The child does not reside with the parent or in the
17 insurer's service area.

18 (d) In any case in which a parent is required by a court
19 or administrative order to provide health coverage for a
20 child and the parent is eligible for family health coverage
21 through an insurer, the insurer shall do all of the
22 following, as applicable:

23 (1) Permit the parent to enroll under health coverage
24 any child who is otherwise eligible to enroll for that
25 coverage, without regard to any enrollment period
26 restrictions.

27 (2) If the parent is enrolled in health coverage but fails
28 to apply to obtain coverage of the child, enroll that child
29 under the health coverage upon presentation of the court
30 order by the district attorney or upon presentation of the
31 court order or request by the custodial party or the
32 Medi-Cal program.

33 (3) The insurer shall not disenroll, or eliminate
34 coverage of, a child to which this subdivision applies,
35 unless the insurer is provided with satisfactory evidence
36 that either of the following apply:

37 (A) The court order or administrative order is no
38 longer in effect.

39 (B) The child is or will be enrolled in comparable
40 health coverage through another insurer that will take

1 effect not later than the effective date of the child's
2 disenrollment.

3 (e) If a parent is required by a court or administrative
4 order to provide health coverage and the parent is
5 eligible for health coverage through an employer doing
6 business in the state, the employer shall do all of the
7 following:

8 (1) Permit the parent to enroll under health coverage
9 any child who is otherwise eligible for coverage, without
10 regard to any enrollment period restrictions.

11 (2) If the parent is enrolled in health coverage but fails
12 to apply to obtain coverage of the child, enroll the child
13 under the health coverage upon presentation of a court
14 order by the district attorney or upon presentation of a
15 court order or request by the custodial party or the
16 Medi-Cal program.

17 (3) The employer shall not disenroll or eliminate
18 coverage of any child to which this section applies unless
19 the employer is provided satisfactory written evidence,
20 where applicable, that any of the following apply:

21 (A) The court order or administrative order is no
22 longer in effect.

23 (B) The child will be enrolled in comparable health
24 coverage through another insurer that will take effect not
25 later than the effective date of the child's disenrollment.

26 (C) The employer has eliminated family health
27 coverage for all of the employer's employees.

28 (4) Withhold from the employee's compensation the
29 employee's share, if any, of the premiums for health
30 coverage, not to exceed the maximum amount permitted
31 to be withheld under Section 303(b) of the federal
32 Consumer Credit Protection Act (15 U.S.C. Sec.
33 1673(b)), and pay that share of the premiums to the
34 insurer, except as otherwise provided by federal statute
35 or regulation for appropriate circumstances under which
36 an employer may withhold less than the employee's share
37 of the premiums.

38 (f) The rights of a Medi-Cal beneficiary to health care
39 benefits from an insurer have been assigned to the
40 department, an insurer shall not impose any requirement

1 on the department that is different from any requirement
2 applicable to an agent or any other assignee of the
3 covered beneficiary.

4 (g) An insurer shall, in any case in which a child has
5 health coverage through the insurer of a noncustodial
6 parent, do all of the following:

7 (1) Provide any information to the custodial party that
8 may be necessary for the child to obtain benefits through
9 the health coverage.

10 (2) Permit the custodial party, or provider, with the
11 custodial party's approval, to submit claims for covered
12 services without the approval of the noncustodial parent.

13 (3) Make payment on claims submitted in accordance
14 with paragraph (2) directly to the custodial party, the
15 provider, or the department.

16 (h) The department, in the administration of the
17 Medi-Cal program, may garnish the wages, salary, or
18 other employment income of, and withhold amounts
19 from state tax refunds from, any person to whom both of
20 the following apply:

21 (1) The person is required by a court or administrative
22 order to provide coverage of the costs of health services
23 to a child who is eligible for medical assistance under the
24 Medi-Cal program.

25 (2) The person has received payment from a third
26 party for the costs of the health services for the child, but
27 he or she has not used the payments to reimburse, as
28 appropriate, either the custodial party or the provider of
29 the health services, to the extent necessary to reimburse
30 the department for expenditures for those costs under the
31 Medi-Cal program. All claims for current or past-due
32 child support shall take priority over claims made by the
33 department for the costs of Medi-Cal services.

34 (i) For purposes of this section, "insurer" includes
35 every health care service plan, self-insured welfare
36 benefit plan, including those regulated pursuant to the
37 Employee Retirement Income Security Act of 1974 (29
38 U.S.C. Sec. 1001, et seq.), self-funded employer plan,
39 disability insurer, nonprofit hospital service plan, labor

1 union trust fund, employer, and any other similar plan,
2 insurer, or entity offering a health coverage plan.

3 (j) For purposes of this section, “custodial party” or
4 “party with custody of a child” includes, but is not limited
5 to, a custodial parent, legal guardian, primary caretaker,
6 or person with whom the child resides.

7 *SEC. 31. Section 15200.1 of the Welfare and*
8 *Institutions Code is amended to read:*

9 15200.1. (a) There is hereby appropriated out of any
10 money in the State Treasury not otherwise appropriated,
11 from which the department shall make payments to each
12 county on any support payments collected or distributed,
13 or both, federal incentive funds on the amount received
14 which qualify therefor. In addition, the department shall
15 pay to each county on any support collections distributed,
16 regardless of the date of collection, a state incentive of 7.5
17 percent. This amount shall be paid on collections used to
18 reduce or repay aid which is paid pursuant to this chapter,
19 on collections paid to an aided family in the form of
20 income which is not included in determining eligibility
21 for assistance pursuant to federal law (also referred to as
22 “disregards”), on collections paid to an aided family in the
23 form of income which is included in determining
24 eligibility (also referred to as “pass-ons” and “excess”),
25 and for aid which is entitled to federal matching funds.

26 (b) In addition, a county may qualify for an additional
27 state incentive payment under Section 15200.7.

28 (c) Where more than one county has participated in
29 the enforcement or collection, the federal and state
30 AFDC incentive payments authorized by this section
31 shall be made to the collecting county except that the
32 federal non-AFDC incentive, and any non-AFDC
33 incentive paid under Section 15200.95, shall be paid to the
34 appropriate jurisdiction as determined by the State
35 Department of Social Services.

36 (d) Where more than one state has participated in the
37 enforcement or collection, the incentive payment, if any,
38 shall be made in accordance with Section 15200.2.

39 (e) This section shall become operative on July 1, ~~1997~~
40 1998.

1 *SEC. 32. Section 15200.2 of the Welfare and*
2 *Institutions Code is amended to read:*

3 15200.2. (a) There is hereby appropriated out of any
4 money in the State Treasury not otherwise appropriated,
5 from which the department shall make payments to
6 California counties, on any interstate support collections
7 collected or distributed, or both, federal incentive funds
8 on the amount received which qualify therefor. In
9 addition, the department shall pay to each county on any
10 support collections distributed, regardless of the date of
11 collection, a state incentive of 7.5 percent. This amount
12 shall be paid on collections used to reduce or repay aid
13 which is paid pursuant to this chapter, on collections paid
14 to an aided family in the form of income which is not
15 included in determining eligibility for assistance
16 pursuant to federal law (also referred to as “disregards”),
17 on collections paid to an aided family in the form of
18 income which is included in determining eligibility (also
19 referred to as “pass-ons” and “excess”), and for aid which
20 is entitled to federal matching funds. In addition, a county
21 may qualify for an additional state incentive payment
22 under Section 15200.7.

23 (b) The department shall, by regulation, pay the
24 incentive payment to the county distributing the support
25 payment from another state.

26 (c) Where a county makes a collection for another
27 state, the department shall make the federal incentive
28 payment to the county making the collection. No state
29 incentive shall be paid on collections made by a county on
30 behalf of another state.

31 (d) This section shall become operative on July 1, ~~1997~~
32 1998.

33 *SEC. 33. Section 15200.3 of the Welfare and*
34 *Institutions Code is amended to read:*

35 15200.3. (a) There is hereby appropriated out of any
36 money in the General Fund not otherwise appropriated,
37 amounts from which the department shall make federal
38 incentive payments to each county on nonfederally
39 funded foster care support payments collected or
40 distributed.

(b) The department shall pay to counties, in addition to the federal incentive for nonfederally funded foster care, a state incentive on collections used to repay the state's share of aid. The increased state incentive shall be paid to the extent and as specified in subdivision (c).

(c) The state incentive provided in subdivision (b) for nonfederal foster care cases shall only apply to those statewide collections distributed in a fiscal year in excess of the 1982–83 budget projection. From the excess, 7.5 percent, or the increased incentive, of collections for nonfederal foster care cases shall be set aside for payment of these incentives. At the end of the fiscal year payment to each county of the incentive money shall be in proportion to the percentage of the total nonfederal cases support collection for the state which each county has distributed. The percentage incentive specified in subdivision (a) shall not exceed the total incentive provided by the state for federal foster care cases at any time but shall automatically be adjusted for any reductions. Any remaining funds shall be credited to offset expenditures for AFDC-FC.

(d) The Legislature finds and declares that the state incentive provided pursuant to this section is sufficient to reimburse counties for court and all other costs incurred through enforcement of parental liability in nonfederally funded foster care cases.

(e) This section shall become operative on July 1, 1997.

SEC. 34. Section 15200.7 of the Welfare and Institutions Code is amended to read:

15200.7. (a) In addition to funds appropriated pursuant to Sections 15200.1 and 15200.2, there is hereby annually appropriated from the General Fund to the State Department of Social Services beginning in fiscal year 1997–98, and based on the increase in fiscal year 1996–97 Aid to Families with Dependent Children child support collections above Aid to Families with Dependent Children child support collections in fiscal year 1995–96, a sum equal to 50 percent of the state's share of those increased collections. The sum shall be computed

1 after payment of the incentive pursuant to increased
2 collections. The sum shall be computed after payment of
3 the incentive pursuant to Sections 15200.1 and 15200.2 has
4 been taken out of the state share. The sum to be
5 appropriated shall be computed in a similar manner
6 annually thereafter.

7 (b) The sum appropriated pursuant to subdivision (a)
8 shall be allocated by the department to each county
9 which increased its collections and shall be based on each
10 county's percentage of the total increased collections in
11 those counties.

12 (c) This section shall become operative on July 1, ~~1997~~
13 ~~1998~~.

14 *SEC. 35. Section 15200.8 of the Welfare and*
15 *Institutions Code is amended to read:*

16 15200.8. (a) The department shall establish a
17 performance-based incentive system which will provide
18 federal and state incentive funds to counties based on
19 standards of performance in the child support program.
20 The performance standards established shall determine
21 the incentive rates to be paid on any support collections
22 distributed on or after January 1, 1992.

23 (b) The performance-based incentive system shall
24 have two levels of incentives.

25 (1) The first level, hereafter referred to as "Tier I,"
26 shall provide counties with a base incentive rate
27 (referred to in this article as the base rate). Tier I also shall
28 provide an increased incentive rate (referred to in this
29 article as the compliance rate) to each county
30 determined by the department to be in compliance with
31 all federal and state child support enforcement program
32 requirements. The compliance incentive rate may also be
33 provided to each county that is in the process of
34 conversion to the Statewide Automated Child Support
35 System, as defined in subdivision (c) of Section 10815, if
36 the department determines that there is a reasonable
37 likelihood that the county would be in full compliance
38 with all federal and state child support enforcement
39 program requirements except for the fact that the county
40 has been required to divert resources to prepare for

1 conversion to the Statewide Automated Child Support
2 System and if the department further determines that the
3 county's efforts will bring the county into full compliance
4 with all federal and state child support enforcement
5 program requirements within a reasonable period of
6 time.

7 (2) In determining Tier I county compliance, the
8 department shall assess on at least an annual basis the
9 accuracy and effectiveness of case processing based on
10 the federal and state requirements in effect for the time
11 period being reviewed, using a statistically valid sample
12 of cases. The information for the assessment shall be based
13 on reviews conducted by either state or county staff, as
14 determined by the department.

15 (A) Counties determined not to be in compliance shall
16 be required to develop and submit a corrective action
17 plan to the department.

18 (B) Counties under a corrective action plan shall be
19 assessed on a quarterly basis until the department
20 determines that they are in compliance with federal and
21 state child support program requirements.

22 (3) In addition to determining Tier I compliance, the
23 department shall collect information regarding whether
24 cases on behalf of families receiving Aid to Families with
25 Dependent Children are disproportionately represented
26 in the portion of each county's case sample which is not
27 in compliance. In the event disproportionate
28 representation is found in a county's pool of
29 noncompliant cases, the department shall require
30 corrective action from that county. However, this
31 corrective action shall not affect the county's entitlement
32 to Tier I incentives.

33 (4) The second level (referred to in this article as Tier
34 II), shall provide an additional incentive rate (referred to
35 in this article as the performance rate), to counties that
36 meet the performance standard levels as established by
37 the department. No county shall qualify for payment of
38 Tier II incentives in any year, month, or quarter in which
39 it was not also eligible for the Tier I compliance rate.

1 (c) (1) The incentive rates shall be paid as a
2 percentage of total distributed collections.

3 (2) "Distributed collections" means collections used to
4 reduce or repay aid which is paid pursuant to this chapter;
5 collections paid to an aided family; collections paid to a
6 nonaided family regardless of the date of collection;
7 collections paid to other state child support agencies on
8 behalf of children residing in other states; and any other
9 payments collected which qualify for federal incentives.

10 (d) Effective January 1, 1992, incentive payments shall
11 be paid to the appropriate county jurisdiction as
12 determined by the department.

13 (e) Nothing in this section shall preclude the
14 department from adopting regulations pursuant to
15 Section 11479.5.

16 (f) This section shall become inoperative on June 30,
17 ~~1997~~ 1998, and as of January 1, ~~1998~~ 1999, is repealed,
18 unless a later enacted statute, which becomes effective on
19 or before January 1, ~~1998~~ 1999, deletes or extends the
20 dates on which it becomes inoperative and is repealed.

21 *SEC. 36. Section 15200.85 of the Welfare and*
22 *Institutions Code is amended to read:*

23 15200.85. (a) Effective January 1, 1992, there shall be
24 appropriated from the State Treasury sufficient funds,
25 including federal incentives, from which the department
26 shall pay to each county a base rate of 10 percent on any
27 support collections distributed, regardless of the date of
28 collection. The base incentive rate shall decrease by 1
29 percent annually each July 1, until July 1, 1995, at which
30 time it shall be 6 percent for that fiscal year and every
31 fiscal year thereafter.

32 (b) Effective January 1, 1992, the department shall pay
33 to each county that is determined by the department to
34 meet all requirements of Tier I, as described in paragraph
35 (1) of subdivision (b) of Section 15200.8, a compliance
36 incentive rate of 1 percent on any support collections
37 distributed. This compliance rate shall increase by 1
38 percent annually each July 1, until July 1, 1995, at which
39 time it shall be 5 percent for that fiscal year and every
40 fiscal year thereafter.

(c) Counties which complete their corrective action plans pursuant to subparagraph (B) of paragraph (1) of subdivision (b) of Section 15200.8, shall qualify for the compliance rate incentive at the start of the quarter following completion.

(d) This section shall become inoperative on June 30, ~~1997~~ 1998, and as of January 1, ~~1998~~ 1999, is repealed, unless a later enacted statute, which becomes effective on or before January 1, ~~1998~~ 1999, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 37. Section 15200.9 of the Welfare and Institutions Code is amended to read:

15200.9. (a) Effective July 1, 1993, there shall be appropriated from the State Treasury sufficient funds, including federal incentives, from which the department shall pay a performance rate to those counties which meet Tier II performance standards, pursuant to paragraph (2) of subdivision (b) of Section 15200.8. The performance rate shall be paid in addition to that provided for under Section 15200.85 and shall be paid on distributed collections, regardless of the date of collection.

(b) The performance rate shall be a graduated scale up to a maximum rate of 1 percent. The maximum performance rate shall increase by 1 percent annually until July 1, 1995, at which time it shall be 3 percent for that fiscal year and every fiscal year thereafter.

(c) This section shall become inoperative on June 30, ~~1997~~ 1998, and as of January 1, ~~1998~~ 1999, is repealed, unless a later enacted statute, which becomes effective on or before January 1, ~~1998~~ 1999, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 38. Section 15200.95 of the Welfare and Institutions Code, as amended by Section 10 of Chapter 481 of the Statutes of 1995, is amended to read:

15200.95. (a) Each county shall be responsible for its nonfederal share of administrative expenditures for administering the child support program.

(b) Notwithstanding subdivision (a), effective July 1, 1991, to June 30, 1992, inclusive, counties shall pay the

1 nonfederal share of the administrative costs of
2 conducting the reviews required under Section 15200.8
3 from the savings counties will obtain as a result of the
4 reduction in the maximum aid payments specified in
5 Section 11450. Effective July 1, 1992, to June 30, 1993,
6 inclusive, the state shall pay the nonfederal share of
7 administrative costs of conducting the reviews required
8 under Section 15200.8. Funding for county costs after
9 June 30, 1993, shall be subject to the availability of funds
10 in the annual Budget Act.

11 (c) In the event that the federal government does not
12 provide the funding for federal financial participation in
13 administrative costs of the child support program at the
14 scheduled rates of 66 percent for regular federal financial
15 participation and 90 percent for enhanced federal
16 financial participation, the department shall increase the
17 Tier I base incentive rate authorized under Section
18 15200.85 to supplant the dollar reduction to federal
19 financial participation.

20 (1) This increase shall be based on the difference
21 between the estimated dollar reimbursement resulting
22 from the scheduled federal financial participation and
23 the estimated dollar reimbursement resulting from the
24 reduced federal financial participation rates. This
25 increase to the base incentive rate, when applied to
26 estimated total collections for the state fiscal year, shall
27 approximately equal the federal reduction.

28 (2) This increase shall be determined annually, and
29 shall apply to total distributed collections as defined in
30 subdivision (c) of Section 15200.8.

31 (3) In no event shall the increased incentive rate
32 exceed 4 percent in any fiscal year.

33 (4) This increase to the base incentive rate shall apply
34 to the period of time in which the federal financial
35 participation rate in administrative expenditures is
36 reduced.

37 (d) This section shall become inoperative on June 30,
38 ~~1997~~ 1998, and as of January 1, ~~1998~~ 1999, is repealed,
39 unless a later enacted statute, which becomes effective on

1 or before January 1, ~~1998~~ 1999, deletes or extends the
2 dates on which it becomes inoperative and is repealed.

3 *SEC. 39. Section 15200.95 of the Welfare and*
4 *Institutions Code, as added by Section 11 of Chapter 481*
5 *of the Statutes of 1995, is amended to read:*

6 15200.95. (a) Each county shall be responsible for its
7 nonfederal share of administrative expenditures for
8 administering the child support program.

9 (b) In the event that the federal government does not
10 provide the funding for federal financial participation in
11 scheduled rates of 66 percent for regular federal financial
12 participation and 90 percent for enhanced federal
13 financial participation, the department shall increase the
14 incentive rates authorized under Sections 15200.1,
15 15200.2, and 15200.3 to supplant the dollar reduction to
16 federal financial participation.

17 (1) This increase shall be based on the difference
18 between the estimated dollar reimbursement resulting
19 from the scheduled federal financial participation and
20 the estimated dollar reimbursement resulting from the
21 reduced federal financial participation rates. This
22 increase to the base incentive rate, when applied to
23 estimated total collections for the state fiscal year, shall
24 approximately equal the federal reduction.

25 (2) This increase shall be determined annually, and
26 shall apply to total distributed collections as defined in
27 Section 15200.1.

28 (3) In no event shall this increase to the incentive rate
29 exceed 4 percent in any fiscal year.

30 (4) This increase to the incentive rate shall apply to
31 the period of time in which the federal financial
32 participation rate in administrative expenditures is
33 reduced.

34 (c) This section shall become operative on July 1, ~~1997~~
35 1998.

36 *SEC. 40. No reimbursement is required by this act*
37 *pursuant to Section 6 of Article XIII B of the California*
38 *Constitution for certain costs that may be incurred by a*
39 *local agency or school district because in that regard this*
40 *act creates a new crime or infraction, eliminates a crime*

1 *or infraction, or changes the penalty for a crime or*
2 *infraction, within the meaning of Section 17556 of the*
3 *Government Code, or changes the definition of a crime*
4 *within the meaning of Section 6 of Article XIII B of the*
5 *California Constitution.*

6 *However, notwithstanding Section 17610 of the*
7 *Government Code, if the Commission on State Mandates*
8 *determines that this act contains other costs mandated by*
9 *the state, reimbursement to local agencies and school*
10 *districts for those costs shall be made pursuant to Part 7*
11 *(commencing with Section 17500) of Division 4 of Title*
12 *2 of the Government Code. If the statewide cost of the*
13 *claim for reimbursement does not exceed one million*
14 *dollars (\$1,000,000), reimbursement shall be made from*
15 *the State Mandates Claims Fund.*

16 *Notwithstanding Section 17580 of the Government*
17 *Code, unless otherwise specified, the provisions of this act*
18 *shall become operative on the same date that the act*
19 *takes effect pursuant to the California Constitution.*

